

Rhode Island
Property & Casualty, Rate, Rule & Policy Form Filings:

Governing Rate, Rule & Policy Form Filing statutes RIGL §27-6, 27-7.1, 27-9, 27-44, and §27-65.

Please note the following:

A. Department Contact Information: Filings are assigned to Insurance Analysts by insurer group name alpha split. Contact name, phone number and email address are listed below to facilitate your contact with the corresponding Division analyst.

P&C Insurance Groups	Examiner	Telephone	Email Address
A-D, T-Z	Raymond Boisse	(401) 222-5457)	rboise@db.state.ri.us
E-S	Candace Casala	(401) 222-5452	ychts@db.state.ri.us
All Workers Compensation	Eugene Daigneault	(401) 222-5453	rnnnn@db.state.ri.us

Individual insurers not part of a group **are assigned to specific analyst by alpha split as above**. Please see [Insurance Bulletin #2003-7](#) for additional information.

B. Specific Filing Requirements: -

1.

- The filing description of the transmittal document must include the insurer(s) NAIC Group # (if one exists) as well as the individual company NAIC#.
- The transmittal document must list all policy forms with which any endorsements, riders, applications, etc. or rates and/or rules will be used.
- The transmittal document must indicate the Chapter that the filing is submitted under; see §27-6, 27-7.1, 27-9, 27-44.
- For filings submitted under “flex rating” RIGL §27-6-8.1 and §27-9-7.3 additional information is required in the transmittal document. Please see Insurance Bulletin #2005-9 for guidance on submitting flex filings.
- The transmittal letter must include a statement that the filings have been reviewed and that they comply with all applicable RI laws and regulations now in effect, signed by a company representative authorized to prepare rate and form filings.

2.

- Proper filing fees on a retaliatory basis RIGL §42-14-18 & §27-2-17; Make checks payable to “General Treasurer, , State of Rhode Island”. Filing fees are not required for withdrawals of filings (without replacements), or for non-adoption of advisory/ rating organizations filings.

-Please see [Insurance Bulletin #2002-13](#) for Filing Fee requirements. A filing is considered received after the required fee (check) is received. A filing will not be assigned to an analyst until your check is received. Rhode Island will soon be accepting Electronic Funds Transfer (EFT) and encourages insurers use of EFT's once implemented.

3.

- Exemptions from Rate, Rule and Policy Form Filings: Please note that the following filings are not required to be filed with this Department.

-1. Ocean Marine risks are exempt from filing requirements under RIGL §27-6-2.

-2. Specifically designated commercial special risks (Highly Protected Risks, Insurance Aviation, Credit Property, Boiler & Machinery, Inland Marine, and Fidelity and Surety risks are exempt from filing requirements under RIGL §27-65-1.

-3. Commercial Special Risks also qualify for exemption by meeting certain thresholds. Please refer to RIGL §27-65-1 and Insurance Bulletin P&C 00-01 dated March 2000 for additional information on risks that qualify for exemption.

-4. The filing of Applications, Disclosure Notices, Cancellation Notices and Non-Renewal Notices are NOT required to be filed for approval. -5. Underwriting Guidelines are NOT required to be filed with this Department. **However, Rule filings are required.**

C. The following prohibitions and/or specific statutory mandates should be noted when preparing policy form and rate and rule filings for use in the State of Rhode Island.

1. **Defense costs within limits:** The Department does not allow defense costs or claims expenses within the limits of liability. However, we would allow defense costs and claims expenses within the limits if the insured is made aware of the reduction in coverage by signing and acknowledging an endorsement, form or letter. We also require each policy issued with that restriction to be filed with this Division on a letter of consent basis.

2. **Family exclusion clauses:** The Department does not allow family exclusion clauses in automobile liability insurance policies. In *Glaude v. The Continental Insurance Company*, the RI Supreme Court ruled that a family exclusion clause in a personal automobile policy is invalidated by the statutory requirement contained in RIGL §31-47-2(12)(i) in that every owner's policy must provide coverage for damages arising out of bodily injury to any person.

3. **Flood Notice Requirements:** RIGL §27-5-3.6 (effective 1/1/2006) The law requires a notice to insureds advising that the standard fire policy may not provide coverage caused by floods. The notice must provide information on the National Flood Insurance Program and that an insured may contact his/her producer or insurer for further information. Insurers are not required to file the notice with this Department.

4. **Individual Risk Premium Modification Plans (IRPM)/Scheduled Rating:** The Department allows the use of I.R.P.M. factors of *up to plus or minus forty percent (+ or - 40%)*.

5 **Insurance Premium Financing Agreements:** RIGL §19-14.6-5 requires that when a policy is cancelled at the request of the premium finance company, it must be computed *on a pro rata basis*.

6. **Late Payment of Premiums:** RIGL 27-29-13.1 (effective 1/1/2006); Provides a maximum fee or charge of \$10.00 for any late payment of premium by a policyholder for any property, casualty, fire and marine or liability policy. A late fee may not be imposed unless payment is received more than five (5) business days following the date payment is due.

7. **Lead Liability Exclusions:** The Department will not approve lead liability exclusions for pre-1978 residential rental properties unless the filings fully comply with RIGL §42-128.1-9, the Lead Hazard Mitigation Act, and Insurance Regulation 101. .

8. **Mold Exclusions/Limitations:** The Department will not approve mold exclusions or limitations unless the filings fully comply with Insurance Bulletin #2003-2.

9. Rescission of Automobile Liability Insurance: RIGL §31-47-[Insurance Bulletin #2003-3](#) and Insurance Regulation 16. Prohibition of rescission of automobile liability coverage.

10. **Return Premiums:** Insureds shall have the right to request return premiums regardless of the amount to be returned. Suggested policy language: “Any return premium less than \$5.00 (or the amount approved by DBR) will not be returned, unless requested by insured.”. For Fire Insurance Policies see RIGL §27-5-3, which requires prompt refund of excess premiums.

11. **Spanish Translated Forms:** For insurers seeking approval to issue Spanish forms, the Department requires that the English form be filed for approval in addition to the Spanish form. The company must certify that the Spanish form is an exact copy of the English form submitted.

12. **Telephone number-Toll free or collect:** RIGL §27-2-1.1 requires every insurer doing business within this state to have a toll free telephone number or provide collect charge telephone service for use by the general public when calling the insurer from any location. Therefore, the Department requires that insurers provide such telephone number on policies/correspondence issued to RI residents.

13. **Terrorism Exclusions:** [Insurance Bulletin #2002-14](#) provides expedited filing procedures for exclusions related to Acts of Terrorism.

14. **Unearned Premiums-Cancellation provisions:** RIGL 27-29-13.2 (effective 1/1/2006). Every insurance policy shall provide clear language on the method of calculation of the unearned premium portion (pro-rata vs. short-rate vs. fully-earned) to be returned to the insured if the policy is cancelled. The Department is of the opinion that the exact penalty percentage, if applicable, should be clearly stated in the cancellation provisions provided for in each policy. Insurance policies shall not state “refer to manuals” to determine the amount of unearned premium to be returned. Insurers shall not impose cancellation fees when insurance policies are cancelled using short rate tables. Insurers must fully support all fees and penalties imposed on insureds.

D.) In addition to C (see above), please pay particular attention to the following Rhode Island statutes, regulations and/or bulletins when preparing rate, rule and policy form filings*:

Cancellations/Nonrenewal Provisions:

Auto/Motor Vehicle: RIGL § 27-6-53, 27-8-11, , 27-9-4, 27-9.1-4.1 (**effective 1/1/2006**), 27-29-13, 27-29-13.2 (**effective 1/1/2006**), 19-14.6-4, 31-47-4, 45-19-17 & and Insurance Regulations 16, 25 and 97 and Insurance Bulletins #2003-3 and 2005-5
Property:: RIGL §27-5-3, 27-5-3.4, 27-9.1-4.1 (**effective 1/1/2006**), 27-29-4(7), 27-29-4.1, 27-29-13.2 (to be effective 1/1/2006), 27-29-17 through 17.4 and Insurance Regulation 15 and 38 and Insurance Bulletin #2003-9 W.C.: RIGL §27-7.1-19, 28-36-12
Commercial Lines: RIGL §27-29-17 and Insurance Regulation 38

Motor Vehicle Insurance rating and miscellaneous requirements:

Automated Traffic Violation Monitoring Systems: RIGL **31-41.2-7.1**
Chargeable Accidents/Surcharges: RIGL §27-9-4, 27-9-53, 45-19-17 &
Insurance Regulation 25 Credit Rating: RIGL §27-6-53, Insurance Regulation 25 and Insurance Bulletin #2002-16
Direct Liability of Insurer to Injured Person: RIGL §27-7-1
Family exclusion clauses: RIGL §31-47-2(12)(i)
Flex rating for non-business policies §27-6-8.1 and [Insurance Bulletin #2005-9](#)
Honoring Direction to Pay: RIGL §27-9.1-4(17 and 18)
Independent Medical Examination: RIGL §27-9.2-1 & Insurance Regulation 79
Late Payment of Premium: RIGL §27-29-13.1 (**effective 1/1/2006**)
Mandatory Arbitration Provisions: RIGL §27-10.3
Mandated Installment Payments: RIGL §27-29-13
Medical Payments Minimum Coverage: RIGL §27-7-2.5
Motor Vehicle Replacement Parts: RIGL §27-10.2 and [Insurance Bulletin #2004-4](#)
Premium Reductions: RIGL §27-9-5.1, 27-9-7.1, 27-9-7.2 & Regulations 25, 84
Rating- RIGL §27-9, 27-44, Insurance Regulations 25, 98 , Insurance Bulletins #2005-5, 2005-8 and 2005-9
Rental Coverage: RIGL §27-7-6
Rescission of Automobile Liability Insurance: RIGL §31-47-1, Insurance Bulletin #2003-3 and Insurance Regulation 16.
Seasonal Vehicles and Active Duty Military Personnel: RIGL §31-47-15.1 and 31-47-15.2
Stacking: RIGL §27-7-2.1(i)
Subrogation: RIGL §27-7-2.1(f and h)(, 27-8-12, Regulation 73, Section 7C, and Insurance Bulletin #2002-1
Territories- Insurance Regulation 62 and [Insurance Bulletin #2005-8](#)
Uninsured Motorist Coverage: §27-7-2.1 and Insurance Regulation 10

Property, Casualty and/or Liability rating and miscellaneous requirements

Disclosure of Arson Conviction: RIGL §27-54-8
Flex rating for non-business policies §27-9-7.3 and [Insurance Bulletin #2005-9](#)Flood Notice RIGL §27-5-3.6 **effective 1/1/2006**
Lead Liability Exclusions: RIGL §42-128.1-9 and Insurance Regulation 101.
Mold Exclusions/Limitations: [Insurance Bulletin #2003-2](#)
Municipal Liens of Fire Insurance Proceeds RIGL §45-47

Terrorism Exclusions: [Insurance Bulletin #2002-14](#) provides the expedited filing procedures for exclusions related to Acts of Terrorism.

General Information (not necessarily required within a filing):

Comparative Negligence RIGL 9-20-4

Credit Reports: RIGL §6-13.1-21 through 23

Fraudulent/Reporting Requirements: Insurance Bulletin #2003-8 Settlements RIGL §9-1-50, 27-29-16 moved to 27-7-7 **effective 1/1/2006**, 27-10-15 moved to 27-9.1-4.1 **effective 1/1/2006**)

Unfair Claims Settlement Practices Act: RIGL §27-9.1 & Insurance Regulation 73
Uniform Electronic Transactions Act: RIGL § 42-127.1

E. Filings of Previously Approved Forms due to **change in name, officer, address and/or merger with licensed insurers.** [Insurance Bulletin #2005-7.](#)

F.) Forms submitted for approval due to an **assumption or transfer of business** must be submitted in compliance with the Assumption Reinsurance Act under RIGL §27-53.1, if applicable. This act mandates the filing requirements including notice, affidavit and disclosure requirements. Filings submitted for approval under RIGL §27-53.1 must be submitted to the attention of Matthew A. DiMaio, Principal Licensing Insurance Examiner of this Division, for review.

G.) Procedures for **surrendering and non-renewal of licenses of any line or all lines of business** by insurers licensed to write insurance in Rhode Island must comply with the filing requirements mandated under Insurance Regulation 58. Filings submitted under Regulation 58 must be submitted to the attention of Matthew A. DiMaio, Principal Licensing Insurance Examiner of this Division, for review.

H.) Insurers withdrawing from a line of business but not wishing to surrender or amend its license must comply with all applicable non-renewal and cancellation provisions provided above. Further, insurers should refer to RIGL §27-2.4-20 regarding revocation or modification of insurance producer's contract where applicable.

***It should be noted that the above-noted statutory references may not be all inclusive, rather, the above references provide assistance when preparing filings and/or compliance related matters. It is the insurers responsibility to keep current with applicable RI statutes, Regulations as well as Insurance Bulletins issued by this Department. Please refer to the applicable statutory references, Insurance Regulations and Insurance Bulletins posted on our website.**

Insurance Regulations and Bulletins may be accessed @ www.dbr.state.ri.us
RI General Laws may be accessed @ www.rilin.state.ri.us/Statutes/Statutes.html